

**Department of Education**  
**COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS PROGRAM ACCOUNT**  
**Fiscal Year 2010 Budget Request**  
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## COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS PROGRAM ACCOUNT

For Federal administrative expenses to carry out activities related to existing facility loans pursuant to section 121 of the Higher Education Act of 1965, \$461,000.<sup>1</sup> (*Department of Education Appropriations Act, 2009.*)

### NOTE

Each language provision that is followed by a footnote reference is explained in the Analysis of Language Provisions and Changes document which follows the appropriation language.

## COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS PROGRAM ACCOUNT

### Analysis of Language Provisions and Changes

Language Provision	Explanation
<sup>1</sup> For Federal administrative expenses to carry out activities related to existing facility loans pursuant to section 121 of the Higher Education Act of 1965, \$461,000.	In accordance with the Federal Credit Reform Act of 1990, this language appropriates funds to service existing facilities loans obligations. Section 121 of the Higher Education Act extends the legal requirements of the program authorities, which are no longer authorized.

# COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS PROGRAM ACCOUNT

## Amounts Available for Obligation (\$000s)

	2008	2009	2010
Discretionary appropriation:			
Appropriation	\$481	\$461	\$461
Across-the-board reduction	<u>-8</u>	<u>0</u>	<u>0</u>
Subtotal, discretionary appropriation	473	461	461
Mandatory appropriation	<u>232</u>	<u>108</u>	<u>0</u>
Subtotal, comparable discretionary and mandatory appropriation	705	569	461
Unobligated balance expiring	<u>-5</u>	<u>0</u>	<u>0</u>
Total, direct obligations	700	569	461

# COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS PROGRAM ACCOUNT

## Obligations by Object Classification (\$000s)

	2008	2009	2010
11.10 Full-time permanent .....	\$272	\$288	\$296
11.52 Awards .....	3	2	2
12.00 Benefits .....	<u>56</u>	<u>67</u>	<u>70</u>
Subtotal, personnel .....	331	357	368
21.00 Travel and transportation .....	0	4	4
23.10 Rent to GSA .....	15	18	17
23.31 Communications .....	3	2	2
25.21 Other Services .....	113	1	1
25.30 Goods/Services from Government.....	0	41	41
25.71 Operations/Maintenance of Equipment .....	3	0	0
25.72 Information Technology Services/Contracts .....	3	35	25
26.00 Supplies .....	0	1	1
32.00 Building Alterations .....	0	2	2
41.02 Subsidies for credit programs .....	<u>232</u>	<u>108</u>	<u>0</u>
Total .....	700	569	461

# COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS PROGRAM ACCOUNT

## Summary of Changes (\$000s)

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2009 .....	\$461
2010 .....	<u>461</u>
Net change.....	0

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	<u>2009 base</u>	<u>Change from base</u>
<b>Increases:</b>		
<u>Built in:</u>		
Increase in personnel compensation primarily for the enacted 2.9 percent 2009 and proposed 2 percent 2010 pay raises.	\$357	<u>+\$11</u>
Subtotal, increases		+11
<b>Decreases:</b>		
<u>Program:</u>		
Decrease in rent to GSA.	18	-1
Decrease in information technology services/contracts.	35	<u>-10</u>
Subtotal, decreases		-11
Net change		0

COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS PROGRAM ACCOUNT

Authorizing Legislation  
(\$000s)

Activity	2009 Authorized	2009 Appropriation	2010 Authorized	2010 Request
Federal administration ( <i>Federal Credit Reform Act of 1990, section 505(e) and Higher Education Act, section 212</i> )	<u>Indefinite</u>	<u>\$461</u>	<u>Indefinite</u>	<u>\$461</u>
Total definite authorization				
Total appropriation		461		461

## COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS PROGRAM ACCOUNT

### Appropriations History (\$000s)

	Budget Estimate to Congress	House Allowance	Senate Allowance	Appropriation
2001	\$737	\$737	\$737	\$762
2002	762	762	762	762
2003	787	762	762	757
2004	774	774	774	769
2005	578	578	578	573
2006	573	573	573	567
2007	486	N/A <sup>1</sup>	N/A <sup>1</sup>	571
2008	481	481	481	473
2009	461	461 <sup>2</sup>	461 <sup>2</sup>	461
2010	461			

<sup>1</sup> This account operated under a full-year continuing resolution (P.L. 110-5). House and Senate allowance amounts are shown as N/A (Not Available) because neither body passed a separate appropriations bill.

<sup>2</sup> The levels for the House and Senate reflect action on the regular annual 2009 appropriations bill, which proceeded in the 110<sup>th</sup> Congress only through the House Subcommittee and the Senate Committee.



## COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS PROGRAM ACCOUNT

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### Federal administration

(Federal Credit Reform Act of 1990, section 505(e) and Higher Education Act, section 121)

FY 2010 Authorization (\$000s): Indefinite

Budget Authority (\$000s):

	<u>2009</u>	<u>2010</u>	<u>Change</u>
Personnel costs	\$357	\$368	+\$11
Non-personnel costs	<u>104</u>	<u>93</u>	<u>-11</u>
Total	461	461	0
Full-time equivalent	3	3	0

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### FY 2010 BUDGET REQUEST

For fiscal year 2010, the Administration requests level funding of \$461,000 for Federal administration of the facilities loans programs. Between 1950 and 1993, the College Housing Loans, Higher Education Facilities Loans, and College Housing and Academic Facilities Loans programs helped to ensure that postsecondary institutions were able to make the capital improvements they needed to maintain and increase their ability to provide a high-quality education. Since 1994, no new loans have been made, and the Department's role has been to manage the outstanding loans.

The fiscal year 2010 budget request reflects cost reductions that are made possible by the decreasing number of outstanding facilities loans and the software application used to track loan activity, process billings, and provide for other servicing functions. Since fiscal year 2001 when the software upgrade was initiated, funding for this account has remained flat or decreased every year despite annual salary increases.

For presentation purposes, the full-time equivalent employees (FTE) and administrative costs associated with this account are also included under the justification materials in the Salaries and Expenses Overview.

## COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS PROGRAM ACCOUNT

### Federal administration

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#### PROGRAM OUTPUT MEASURES (\$000s)

	<u>2008</u>	<u>2009</u>	<u>2010</u>
<b>College Housing and Academic Facilities Loans:</b>			
Number of outstanding loans	57	54	54
Outstanding principal	\$82,356	\$75,168	\$74,537
<b>College Housing Loans:</b>			
Number of outstanding loans	237	222	222
Outstanding principal	\$141,394	\$127,448	\$123,136
<b>Higher Education Facilities Loans:</b>			
Number of outstanding loans	25	22	22
Outstanding principal	<u>\$13,592</u>	<u>\$12,299</u>	<u>\$11,807</u>
Total number of outstanding loans	319	298	298
Total outstanding principal	\$237,342	\$214,915	\$209,480

#### PROGRAM PERFORMANCE INFORMATION

The software application used for tracking loan activity provides the Department with access to real-time data for administering the facilities loan programs. It also provides more data than were previously available for managing loan delinquencies and defaults, and for projecting future collection totals and outstanding balances. This has resulted in greater program efficiencies and more accurate budgetary projections. Continued efforts will be made to increase program efficiencies and reduce loan delinquencies and defaults.